

**DRAFT MINUTES OF THE REGULAR MEETING OF THE
COMFORT LAKE–FOREST LAKE WATERSHED DISTRICT
Thursday, May 26, 2022**

1. Call to Order

President Schmaltz called the May 26, 2022, regular board meeting to order at 6:30 p.m. via online video conference,

Present: President Steve Schmaltz, Vice President Christopher Loth, Secretary Dave Bakke, Treasurer Jackie Anderson, Assistant Treasurer Douglas Toavs.

Absent: None.

Others: Mike Kinney, Administrator; Bobbie Law, Office Manager; Blayne Eineichner, Project Coordinator; Emily Heinz, Planning Coordinator; Garrett Miller, Watershed Assistant; Aidan Read, Land Management Specialist (CLFLWD staff); Greg Graske, Cecilio Olivier (Emmons & Olivier Resources); Chuck Holtman (Smith Partners); Bryan Paulson (ISG); Hanna Valento (City of Forest Lake)

2. Setting of Meeting Agenda

Manager Anderson moved to approve the agenda, with the addition of a discussion of Eurasian watermilfoil management under Old Business. Seconded by Manager Toavs. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

3. Consent Agenda

- a) **Regular Board Meeting Minutes – April 14, 2022**
- b) **Regular Board Meeting Minutes – April 28, 2022**

Manager Toavs moved to approve the consent agenda as presented. Seconded by Manager Anderson. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

4. Public Open Forum

There were no comments.

5. Citizen Advisory Committee Update

Mr. Read presented the minutes from the 2022 CAC meeting. He noted that the CAC members have requested a field trip to the Cranberry Lake Channel property, and that this event will be scheduled later in the summer. This event will potentially be offered as a joint meeting of the CAC and the Board of Managers.

6. Aquatic Invasive Species Update

Mr. Miller gave an AIS update. He covered multiple topics including:

- Forest Lake curly-leaf pondweed delineation and treatment
- Shields Lake curly-leaf pondweed delineation

Manager Anderson noted the rainy and cooler spring, and asked if this affects the District's ability to survey AIS. Mr. Miller replied that even with these conditions, the District should have a good sense soon of the year's initial AIS growth. Manager Toavs noted some large floating algae. He wondered if it is common or a new occurrence. Mr. Miller confirmed that it is a regular occurrence and is not harmful. He explained that District staff has created educational materials regarding the topic. He noted that staff plans to send these materials to lakeshore owners.

7. New Business

No new business.

8. Old Business

a) Office Space Visioning

Bryan Paulson, an architect from ISG, presented a proposal for office space needs by square footage. Spaces discussed included two closed-door offices, a staff conference room (4 seats), a larger conference room (8 seats), a kitchenette, 8 drop-in small workspaces, file storage space, reception area, office supply and printer space, water lab, lab storage, and two bathrooms, including one ADA-compliant.

Mr. Paulson explained that staff had looked at and toured similar organization spaces in the past. He noted that semi-private space is becoming normal and allows for collaboration. He explained that remote work is something that will continue. He noted that the space plan presented would not include dedicated workspaces due to the nature of remote work. He explained that this plan is a place to start the conversation.

Mr. Kinney stated that staff can also collect footprints and photos of spaces in the metro area including conservation districts and other watershed districts. Managers agreed this should be done. Manager Bakke asked if staff have considered making the building environmentally friendly. Mr. Paulson explained that ISG has previously worked with organizations to create environmentally friendly spaces without “breaking the bank”. He noted that he believes that would be a great idea and can be done affordably. Manager Anderson noted that having a LEED certification or similar would be important for the District. She requested a cost breakdown be presented if certification and or environmentally friendly options are considered.

President Schmaltz suggested that the District begin with a modest space plan that allows for expansion. Manager Anderson asked if there is room for growth built into the proposed space plan. Mr. Paulson explained that there was some growth built-in before, although he was unsure of the baseline for the number of staff employed. Mr. Kinney explained there would be a possibility to build to allow for future additions. He noted that being in a hybrid work environment would require less space. He explained that conference rooms could also be utilized, if need be, temporarily. He explained that he would work with Mr. Paulson to look at plan sets for managers to view. Manager Bakke requested a video or photos be taken for managers to be displayed at a Board meeting. Mr. Kinney replied that this can be done.

President Schmaltz noted that there is not a garage in the space plan. He requested this space be added as a baseline. He noted that the District has a truck, a johnboat, a kayak, and a canoe that would need to be stored. Mr. Kinney confirmed that this would be a desired space for staff.

Mr. Kinney expanded on the possibility of collaboration in the space.

Manager Anderson asked as to ISG’s level of experience with community collaboration and input gathering. Mr. Paulson explained that ISG staff are experienced and use a phased project plan created by an ISG staff member with a background in community engagement as a public official. The phases include identifying needs and plans, stakeholder engagement, project metrics and summarizing engagement outcomes, developing a vision and mission, and creating an implementation strategy. Managers discussed the fact that the Willow Point Property was unique and shouldn’t be used as an example.

President Schmaltz requested that ISG come to the board with a formal scope of work.

He also requested that staff compile a list of properties the District currently owns and or properties that would be a good fit for a possible space. He explained he would also like to see those properties ranked. Mr. Paulson explained that this is something that ISG can look into. He noted that to assess a build option, ISG can establish a baseline area need and additional area for specific further functions.

Manager Loth asked if the comparison of building versus buying must be calculated with specific properties in mind or if it is more of a general calculation. Mr. Paulson replied that ISG’s prior comparison specifically concerned the Willow Point property. Managers discussed the recent rise in building materials costs.

Manager Anderson moved to authorize the administrator, on advice of counsel, to work with ISG to prepare a scope of work for consideration at the June 9th board meeting. Seconded by President Schmaltz. Upon a roll call vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

(Mr. Paulson departed the meeting)

b) Lake Association Grant

Mr. Kinney explained that this topic has been in the works for over a year. He noted that the goal is to offer a grant either as a part of the District’s current grant program or as a separate grant program. He noted that staff had created a program proposal, and Manager Anderson also created a proposal.

Manager Anderson gave an overview of her proposal. She gave an overview of the program’s development history. She noted that the idea came about in 2020. She explained that it was meant to engage the public in achieving clean water. Manager Anderson explained that the District has had grant programs by category. She explained that the programs have been complex and haven’t taken hold as she would have hoped.

Manager Anderson explained that the Minnesota Pollution Control Agency (MPCA) loan program sparked her interest in creating this type of grant program. She explained that they used fewer parameters and these could be used to achieve any main goal.

Manager Anderson explained that she has focused on lake associations because they are community-based and currently engaged.

Manager Anderson walked through some instructional material that she created. She highlighted a natural shoreline photo on Comfort Lake. She noted that protection and restoration of natural shorelines would be something she hopes to accomplish with this grant program. Manager Anderson also highlighted some standard language to explain the program to the public.

Manager Anderson explained that she would like to have this program implemented by the summer of 2022 pending input from the Board. The grant details note that the

District would fund up to 75% of the total cost up to \$15,000 on an annual basis. He explained that Forest Lake and Comfort Lake have distinct basins that would be eligible for \$15,000 per basin per year. She noted that funding could also be calculated based on acre-foot. She requested managers provide their ideas and perspectives on the funding. She detailed the funding breakdown utilizing graphics. She noted that when partnering with the lake associations, the District is engaging individuals that are already heavily invested in protecting waters. She explained that the materials also include a thank you to show the District's interest in a partnership.

Manager Anderson gave an overview of state water quality goals versus District goals. She also included the Clean Water Council's goals to have waters that are swimmable, fishable, and clean.

Manager Anderson gave an overview of the application form. She explained the internal process for applications including a review for completeness done by staff and for the application to come to the Board. She noted that her iteration would not have staff reviewing applications for recommendation. Lake association members would connect with the managers directly.

Manager Bakke explained that he had read through the documents and immediately thought of projects in the community that could use the funding.

Manager Bakke made a motion to establish the Lake Association Grant Program as presented. The motion failed for lack of a second.

Manager Loth explained that he was not involved in the previous conversations regarding this program in 2021. He explained that he would not be prepared to vote on the matter at this time. He asked if any information and/or a summary could be provided regarding the current grant programs as they sit and how they were developed and used in the past. Manager Anderson listed some previously completed projects including Keys Café, Broadway Ave reconstruction water quality treatment, and Lighthouse Lofts water quality treatment. She explained that those previous projects would be different due to the commercial focus. She stated that she would like to see these grant participants recognized in some way in the form of a sign or similar. Manager Loth asked that staff prepare a document regarding the history of the District grant programs.

Managers discussed a project of interest in Scandia. Manager Bakke gave an overview of a project on the north end of Bone Lake that has trails built on a volunteer basis with the hope of incorporating a boardwalk through the wetland.

President Schmaltz asked if the District would be setting a precedent for local government units to come to the District for support for trail building. Manager Bakke stated that it would provide access to a public park. He observed possible access for school-age kids for educational purposes. Manager Anderson also noted that the District is providing education to protect the wetland during the project process. She noted

possible assistance opportunities to be presented to lake associations with the help of District staff if not directly through District funding.

President Schmaltz noted that all of the previous commercial grant projects have had a specific focus on water quality with quantifiable improvements to water quality. He stated that this grant opens the door to a broader perspective of projects. He explained that these projects may push the limits of reaching the goals established in the District's Watershed Management Plan. He explained that they are not bad projects being presented. Manager Anderson asked if shoreline restoration would occur on a group basis. Manager Anderson explained that she looked at it as an educational opportunity regarding best management practices (BMPs), and other practices that would be presented to lake associations to pursue.

Manager Anderson explained that she appreciates Manager Bakke's enthusiasm for the program and welcomes creativity and collaboration going forward.

Manager Loth stated that after discussing the greenway, it is his understanding that the District wouldn't or shouldn't be involved in funding trails and recreational space. He asked if that is a correct recollection, and if this previously described project should be a project the District provides grant funds for. Manager Anderson explained the shared goals with part of the local government unit's project funding coming from sources other than the District. She explained that one of the Districts goals, stated in law, is to be a resource and provide technical expertise for the local communities. She explained that staff can point lake associations in the right direction if a project doesn't fall under the District grant program.

President Schmaltz asked whether other grants could be used as local match for the District's grant. Manager Anderson replied that the use of one grant as match for another is common. Mr. Kinney explained that state grants cannot be combined to complement each other, while some federal grants do not have limits on combining grants. He noted that the City of Forest Lake has specified that it does not wish the District to use grant funds to meet its fund-sharing commitment in the recently approved AIS management agreement, but that doesn't need to be the typical framework. He offered that a local cost-share supports accountability toward achieving project goals. President Schmaltz suggested that a lake association be required to supply 25 percent of project cost from its own funds, for accountability. Mr. Kinney explained that he would like a further understanding of the application process and how implementation plays out. President Schmaltz requested that the \$15,000 ceiling be clear in the grant program materials including the graphic regarding the financial breakdown.

Managers discussed the grant program timeline focusing on alternate funding options for projects proposed. Manager Anderson requested that staff compile a list of wetland protection grant programs for the managers to view. She proposed that the matter be discussed further at the June 9, 2022 meeting, with Board action at the meeting after that.

c) Eurasian Watermilfoil

Mr. Kinney introduced the topic of Eurasian watermilfoil (EWM) as it pertains to the District's interest in management. He explained that District management has been limited on the basis that this species may not be negatively affecting water quality and is simply a recreational nuisance. He expanded on some aquatic invasive species, such as flowering rush, that are unique to Forest Lake that are managed by the District even though they may have few negative direct water quality effects.

Manager Anderson voiced her support for managing EWM as an invasive species. She explained that the State's 2014 Clean Water Roadmap indicates goals of having public waterbodies be swimmable, fishable, and able to be recreated on. She indicated the State has an objective of restoring unhealthy lakes to healthy status. She noted that Bone Lake has a program to manage EWM and that hybrid Eurasian milfoil, an invasive species, is prevalent in Comfort Lake. She mentioned a study conducted by Emmons and Olivier Resources (EOR) suggesting there actually may be phosphorus contribution when it dies. She explained the die-off process and how it contributes to algal growth. She stated that it is time for the District to re-think its stance on EWM management.

President Schmaltz explained that dying off is something all plants do regardless of if they are native, non-native, or invasive, and that EWM decays in the fall, when algae isn't an issue. He noted that, nevertheless, lake associations could use funds under the grant program being considered for DWM management, and that the Minnesota Department of Natural Resources (MnDNR) will fund it as well. He believes that this can encourage partnership, but that treatment cost is too substantial for the District to try to fund.

Manager Bakke explained that he had gone to the City of Scandia requesting funds be put back into improvements on the lakes. He noted that the mayor of Scandia agreed, and lake improvements and protection have been budgeted for. He noted this as a possible interest and or opportunity for collaboration for EWM management.

Manager Anderson explained that the Comfort Lakes Association was able to get an all-lake EWM treatment approved by the MnDNR.

Manager Anderson moved to include EWM management in the District's AIS program.
The motion failed for lack of a second.

President Schmaltz and Manager Anderson asked that staff develop treatment figures based on past EWM surveys. President Schmaltz suggested that estimates recognize a scenario of rapid expansion. Manager Loth observed that according to Steve McComas, EWM may expand rapidly, but then deplete soil nitrogen and die back.

9. Report of Staff

a) Administrator

Nothing to report.

b) Emmons & Olivier Resources

Mr. Graske explained that there are multiple larger permitting projects occurring currently. He highlighted some larger projects in the Cities of Forest Lake and Scandia where District BMPs are being incorporated.

Manager Anderson asked about the Comfort Lake Overlook project and a drainage problem as well as a wetland protection issue associated with the project. She requested that Mr. Graske assess these for the managers when the permit comes to the District for consideration. Mr. Graske explained that he has only seen rough sketches of the project to date.

c) Smith Partners

Nothing to report.

10. Report of Treasurer

a) Approval of Bills and Treasurer’s Report

Treasurer Anderson reported income for the period of \$16,012.52 and expenses in the amount of \$279,874.43.

Manager Anderson explained that a newly formatted treasurer’s report will be presented to the board in June. President Schmaltz commented that, in the past, changes have been made only when issues arise. He asked why changes are being considered at this time. Manager Anderson explained that the current report is not as transparent as financial reports she had been used to seeing in her past professional experience. She noted that it will be a cost up-front but will be worth the cost. President Schmaltz requested that work with the accountant cease until the full board receives an overview of the new format and how it will be improved. Manager Toavs explained that he reviewed the document and would also like to hear the logic and reasoning behind the proposed changes to the treasurer’s report.

Manager Bakke moved to accept the Treasurer’s Report and pay the bills in the amount of \$279,874.43. Seconded by Manager Toavs. Upon vote, the motion carried 5-0.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			

Doug Toavs	X			
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11. Report of Officers and Managers

Manager Anderson: Nothing to report.

Manager Toavs: Reported a conversation he had with the economic consultant for the City of Lindstrom. He noted that she was very supportive of the District’s work and would like to implement similar programs in the City of Lindstrom.

Manager Bakke: Reported an observation of organizational development. He noted that the Board is growing as a team of new members.

Manager Loth: Reported road construction to be starting on North Shore Circle.

President Schmaltz: Nothing to report.

12. Summary and Approval of Board Direction

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- Staff will provide managers with a list of wetland protection funding opportunities to be shared with the City of Scandia.
- Staff will provide an overview of the drainage and wetland protection issues associated with the Comfort Lake Overlook project.
- Staff will work with ISG to provide managers with pictures and or video of similar local entities’ office spaces for review.
- Staff will provide information regarding the costs associated with treating EWM in District waterbodies.
- Staff will provide an overview of the District’s currently implemented community grant programs and projects accomplished under these grant programs.

13. Adjourn

a) Next regular board meeting – June 9th, 2022

Manager Bakke moved to adjourn the meeting. Seconded by Manager Anderson. Upon a roll call vote, the motion carried 5-0, and the meeting was adjourned at 9:03 p.m.

Manager	Aye	Nay	Absent	Abstain
Stephen Schmaltz	X			
Christopher Loth	X			
Dave Bakke	X			
Jackie Anderson	X			
Doug Toavs	X			

Dave Bakke, Secretary _____